# (195 0 ) Department.

G.O. No. 2039

Dated 8.10.50

**[Despatch Abstract.]**

Tax - The Madras general Sales Tax Act, 1939, yarn in section 5 of the Act - Include diamond Zl--- clip Boards - recommendation - Orders issued.

REVENUE DEPARTMENT

SUBJECT.

Madras General Sales Tax Act, 1939 - Cotton Yarn - Diamond yarn - Eligibility for exemption under section 5.

---

Station: Madras Ref.A.2601/50-1 Dated 15.6.1950.

From

Md.S.M.Hussain, I.A.S., Secretary, Commercial Taxes, Board of Revenue, Madras.

Sri V.N. Kudva, I.C.S., Commissioner of Commercial Taxes, Madras.

--

Reference:

In 1941, the Board held that the term "Yarn" includes "diamond Yarn" also, as 'diamond yarn' is nothing bet mercirised yarn. In 1946 the Board held that the term 'Yarn' meant "any spun thread especially of the kinds prepared for weaving, knitting, rope-making" and would exclude 'diamond thread' and thread made by twisting a number of spun steands together (e.g., a rope, a sewing thread, or thread used for lacemaking) and that therefore, the benefits of section 5 were not available to "diamond thread". But later on in G.O.No.Ms.252, Revenue dated 14.4.48, the Government were, however, pleaded to order that the term 'Yarn' might be taken to include "Sewing thread also".

The Board considers that "diamond thread" is nothing but mercirised cotton thread, that there is not much difference between 'diamond thread' and 'diamond yarn'. It therefore recommends that the term "Yarn" in Section 5 may be taken to include "diamond thread also"

Sd.xx

For Secretary(C.T.)

To

The Secretary to the Government, Revenue Department.

/True copy/

ss/28.8.

GOVERNMENT OF MADRAS
ABSTRACT.
**

Tax - The Madras General Sales Tax Act, 1939 Yarn in section 5 of the Act. Include diamond thread also - Bonds recommendation - Order passe

---

REVENUE DEPARTMENT.

G.O.Ms.No.2639 Dated: 3.10.1950.

Read the following:-

G.O.Ms.No.852 Rev. dated 14.4.1949.

Read also:

From the Board of Revenue Ref.A.2601/50-1 dt. 15.6.1950.

---

ORDER:

In the circumstances stated by the Board of Revenue in its reference read above, the Government agree with its recommendation and directthat the term 'Yarn' in section 5 of the Madras General Sales Tax Act, 1939 be taken to include diamond thread also.

/By Order etc./

Sd.xx
Secretary to Government.

To
The Board of Revenue(C.Taxes).

/True copy/

R. Nagarajan 6.9.56

SUPERINTENDENT.
MADRAS RECORD OFFICE.

SS/28.8.

28/8